

HOUSE BILL No. 1398

DIGEST OF INTRODUCED BILL

Citations Affected: IC 6-3.1-13.

Synopsis: EDGE credits. Authorizes the EDGE (economic development for a growing economy) board to approve an EDGE income tax credit although no other state is competing for the project for which the credit is sought. (Current law requires that at least one other state must be competing for the project.)

Effective: July 1, 2002.

Yount, Bosma

January 15, 2002, read first time and referred to Committee on Ways and Means.

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Second Regular Session 112th General Assembly (2002)

PRINTING CODE. Amendments: Whenever an existing statute (or a section of the Indiana Constitution) is being amended, the text of the existing provision will appear in this style type, additions will appear in **this style type**, and deletions will appear in ~~this style type~~.

Additions: Whenever a new statutory provision is being enacted (or a new constitutional provision adopted), the text of the new provision will appear in **this style type**. Also, the word **NEW** will appear in that style type in the introductory clause of each SECTION that adds a new provision to the Indiana Code or the Indiana Constitution.

Conflict reconciliation: Text in a statute in *this style type* or ~~this style type~~ reconciles conflicts between statutes enacted by the 2001 General Assembly.

HOUSE BILL No. 1398

A BILL FOR AN ACT to amend the Indiana Code concerning taxation.

Be it enacted by the General Assembly of the State of Indiana:

1 SECTION 1. IC 6-3.1-13-15 IS AMENDED TO READ AS
2 FOLLOWS [EFFECTIVE JULY 1, 2002]: Sec. 15. After receipt of an
3 application, the board may enter into an agreement with the applicant
4 for a credit under this chapter if the board determines that all of the
5 following conditions exist:

6 (1) The applicant's project will create new jobs that were not jobs
7 previously performed by employees of the applicant in Indiana.

8 (2) The applicant's project is economically sound and will benefit
9 the people of Indiana by increasing opportunities for employment
10 and strengthening the economy of Indiana.

11 (3) ~~There is at least one (1) other state that~~ If the applicant
12 verifies **that at least one (1) other state** is being considered for
13 the project, ~~(4)~~ a significant disparity is identified, using best
14 available data, in the projected costs for the applicant's project
15 compared to the costs in the competing state, including the impact
16 of the competing state's incentive programs. The competing state's
17 incentive programs shall include state, local, private, and federal



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funds available.

~~(5)~~ (4) The political subdivisions affected by the project have committed significant local incentives with respect to the project.

~~(6)~~ (5) Receiving the tax credit is a major factor in the applicant's decision to go forward with the project and not receiving the tax credit will result in the applicant not creating new jobs in Indiana.

~~(7)~~ (6) Awarding the tax credit will result in an overall positive fiscal impact to the state, as certified by the budget agency using the best available data.

~~(8)~~ (7) The credit is not prohibited by section 16 of this chapter.

SECTION 2. IC 6-3.1-13-17 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2002]: Sec. 17. In determining the credit amount that should be awarded, the board shall take into consideration the following factors:

(1) The economy of the county where the projected investment is to occur.

(2) The potential impact on the economy of Indiana.

(3) **If at least one (1) other state is being considered for the project, the estimated** magnitude of the cost differential between Indiana and the competing state.

(4) The incremental payroll attributable to the project.

(5) The capital investment attributable to the project.

(6) The amount the average wage paid by the applicant exceeds the average wage paid within the county in which the project will be located.

(7) The costs to Indiana and the affected political subdivisions with respect to the project.

(8) The financial assistance that is otherwise provided by Indiana and the affected political subdivisions.

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